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Chief, Management Staff

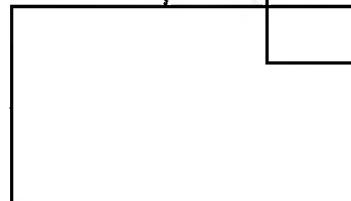
ATTN 1051

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Acting Chief, Technical Accounting Staff

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Funding of Suggestions Award Program for  
Office of Logistics [redacted]REF : Memorandum from Chief, Management Staff,  
Same Subject

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1. Funds can be made available to [redacted] the Office of Logistics for the payment of incentive awards to employees by instructing the manager of the depot to include, as a separate item, the estimated amount of incentive awards that will be paid during the quarter in the regular 1080 voucher which he submits to headquarters at the beginning of each quarter requesting an advance of funds in the amount of the estimated operating expenses of the depot for the quarter. The Management Staff should place a limitation on the amount of funds that can be requested for any one quarter or fiscal year inasmuch as this Staff is responsible for controlling the allotment for these expenditures. The expenditures made for incentive awards should be reported in the same accounting made by the depot for their other operating expenses and should be classified as object class 13.

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2. The funding of the Employee Suggestions Program for the [redacted] as described above should not be implemented until the Office of General Counsel approves the use of Agency funds for the payment of incentive awards to the [redacted] employees [redacted].

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[redacted] Advice of such approval should be made available to the Deputy Chief, Fiscal Division, Office of the Comptroller.

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TAS/MG/dkm (30 January 1957)

Distribution:

Orig. &amp; 1 - Addressee

1 - Fiscal Division

(ATTN: [redacted])

1 - Budget Division

(ATTN: [redacted])

1 - TAS Subject

1 - TAS Chrono

1 - TAS Reading

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# Office Memorandum • ~~CONFIDENTIAL~~ UNITED STATES GOVERNMENT

TO : Chief, Technical Accounting Staff

DATE: *7/15*

FROM : Chief, Management Staff

SUBJECT: Funding of Suggestion Award Program for OL/ [redacted]

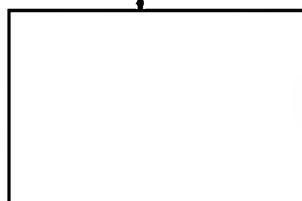
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The Office of Logistics proposes to establish a Suggestion Awards Program for their [redacted]

Attached is a copy of the procedure proposed by OL with the concurrence and approval of the Chairman of the Agency's Suggestion Awards Committee, the Office of Security, and the Comptroller's Office. This latter approval was obtained by telephone by [redacted], Budget Officer for the Management Staff, and [redacted] Executive Secretary of the Suggestion Awards Committee, from [redacted] Deputy Chief of the Fiscal Division, on 2 October 1956. This has also been discussed with [redacted] of your Staff.

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When this procedure was submitted by OL to the [redacted] the Chief of that field installation concurred except for the provisions pertaining to funding and submitted a counterproposal as set forth in Paragraph 2 of his memorandum of 26 October 1956 attached.2  
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This change proposed by [redacted] is satisfactory to OL and Management Staff, provided it meets with your approval. Please review this file and let me know whether you concur in [redacted] proposed change. If not, please indicate how we may arrange funding in a manner that will satisfy your requirements. Because of the small number of employees who will be eligible to submit suggestions [redacted] we expect no more than \$300 will be required to pay all awards approved during any one fiscal year. Controls will be maintained in Management Staff and OL through quarterly reports including number and amounts of awards paid.2  
2  
2*\$300.00 AB*  
Your cooperation in working out a feasible method of funding is greatly appreciated.

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4. Advised [REDACTED] of the above by phone, 2 October 1956.

[REDACTED]  
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cc: [REDACTED]  
Chief, Supply Division

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MEMORANDUM FOR: Chief,  
Chief,

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FROM: Chief, Supply Division, OL  
SUBJECT: Employee Suggestion Program

1. GENERAL

This memorandum prescribes policy, procedures, and responsibilities in the administration of an Employee Suggestion Program.

2. POLICY

- a. This Office encourages employee participation in the Employee Suggestion Program and provides monetary awards in recognition of approved suggestions for improvements in the fields of efficiency, inventions, security, working conditions, safety, morale, and procedures. No award may be made, however, to any employee for a suggestion which represents a part of the normal requirements of the duties of his position.
- b. All employees except those serving on the Awards Committee shall be eligible to receive awards under the Employee Suggestion Program.
- c. Employees serving on the Awards Committee will submit suggestions to the Chief of the Warehouse for submission to the Chief, Supply Division.
- d. Security considerations dictate limits to overt forms of recognition; consequently, awards will be granted in a manner consistent with normal security and cover considerations.

3. MONETARY AWARDS

- a. By law, monetary awards generally may not exceed \$5,000. Within this limitation monetary awards will be granted for tangible and intangible benefits. (See Attachments 1 and 2 for use as a guide in determining the amount of an award.)

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SUBJECT: Employee Suggestion Program

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- b. Monetary awards not exceeding \$100 may be granted upon approval of the Chief of the Warehouse and concurrence by the [redacted] Office concerned. Awards in excess of \$100 will be granted upon approvals by the Chief of the Warehouse and Chief, Supply Division, and concurrence by the [redacted] Office concerned.
  - c. When considered desirable, a Certificate of Appreciation, signed by the [redacted] Regional Director, may be issued with awards of \$100 or more.
  - d. If an employee submits a suggestion which is considered to have applicability to other departments of the Government, an inter-departmental award may be granted based upon the adoption of its use by other Government departments. (See paragraph 5e(5).)

4. NONMONETARY RECOGNITION

Recognition in the form of a letter of appreciation for improvements outlined in 2a may be granted by the Awards Committee where circumstances are warranted, and this type of recognition is determined to be more appropriate than a monetary award.

5. RESPONSIBILITIES

- a. Addressees, within their respective area, shall be responsible for:
  - (1) the administration of all functions of the Employee Suggestion Program;
  - (2) appointing an Awards Committee to consist of not less than three (3) employees, all of whom must be bona fide Agency employees;
  - (3) serving as Chairman of the Awards Committee with responsibility for approving or disapproving suggestions;
  - (4) maintaining adequate records for the program;
  - (5) forwarding to the Chief, Supply Division, for consideration, those suggestions which have been adopted locally and are believed to be applicable for adoption in other activities;

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SUBJECT: Employee Suggestion Program

- (6) safeguarding all security and cover aspects involved in the Employee Suggestion Program.
- b. The Awards Committee shall be responsible for:
- (1) assisting the Chairman in the administration of the Employee Suggestion Program by conducting prompt, thorough, and objective evaluations, and submitting recommendations for the adoption and/or rejection of suggestions;
  - (2) providing for adequate documentation of evaluations to support Committee recommendations and decisions.

6. FUNDING

Payment for monetary awards will be accomplished [ ] on a reimbursable basis from voucherized funds available to the headquarters Incentive Awards Program. Reimbursement vouchers [ ] covering costs involved in the Employee Suggestion Program will be forwarded to this office for processing.

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7. REPORTS

- a. Reports on the Employee Suggestion Program will be submitted to this office in duplicate as soon as possible after the close of each quarter. Reports will provide for the following information: Number of suggestions submitted, adopted, disapproved, and in process at end of the quarter; number and amount of awards granted for tangible and intangible savings; and the estimated first year savings from the adopted suggestions.
- b. The information required in paragraph a above can be readily maintained through use of [ ] "Employee Suggestion Register". (See Attachment 3).

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Attachments (3)

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ATTACHMENT NO. 1

SCALE OF CASH AWARDS

1. FOR TANGIBLE BENEFITS:<sup>\*</sup>

<u>Savings</u>	<u>Cash Award</u>
\$ 1.00 to \$ 200.00	\$10.00
201.00 to 1,000.00	\$10.00 for 1st \$200 in savings; \$5.00 for each additional \$100 or fraction thereof.
1,001.00 to 10,000.00	\$50.00 for 1st \$1,000 in savings; \$5.00 for each additional \$200 or fraction thereof.
10,001.00 to 100,000.00	\$275 for 1st \$10,000 in savings; \$5.00 for each additional \$1,000 or fraction thereof.
100,001.00 or more	\$725 for 1st \$100,000 in savings; \$5.00 for each additional \$5,000 or fraction thereof.

<sup>\*</sup>NOTE: The amount of cash award shall normally be based on, but not necessarily limited to, the estimated savings for the first full year of operation following its adoption.

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ATTACHMENT NO. 2

SCALE OF CASH AWARDS

## FOR INTANGIBLE BENEFITS:

Degree of Benefit	Limited	Extent of Application			General
		Local	Extended	Broad	
Slight	\$ 10- 25	\$ 25- 50	\$ 50- 75	\$ 75- 150	\$ 150- 250
Moderate	50-100	100-150	150- 200	200- 300	300- 400
High	150-250	250-350	350- 450	450- 600	600- 750
Exceptional	300-500	500-700	700-1000	1000-1500	1500-5000

The above chart and the following definitions were recently published in the "Incentive Awards Notes", an issuance of the U. S. Civil Service Commission.

DEGREE OF BENEFITSlight Benefit

- Minor modification of an operating principle or procedure, limited potential value.

Moderate Benefit

- Considerable modification of an operating principle or procedure, higher potential value.

High Benefit

- Complete revision of a basic principle or procedure, very high potential value.

Exceptional Benefit

- Initiation of a new principle or major procedure, such a contribution which substantially advances an important activity of the Department or makes a significant contribution to scientific knowledge.

EXTENT OF APPLICATIONLimited Application

- Affects the immediate work areas or immediate associates.

Local Application

- Affects more than the immediate work area or associates but is within an installation or facility, or is in the public interest only in the locality.

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ATTACHMENT NO. 2  
(continued)

Extended Application - Applicable to several installations or facilities, or is in the public interest in several localities or in a region.

Broad Application - Applicable to many installations or facilities, or is in the public interest in several regions. May be applicable to all of a small independent agency or to an entire large bureau or constituent agency.

General Application - Applicable throughout several large bureaus or independent agencies or a large Department or several Departments, or is in the public interest throughout the Nation or beyond.

It is well to note that because of the nature of intangible benefits, no guide can be so conclusive as to make the determination of appropriate awards an automatic and simple process. The final determination must still be arrived at by the application of your informed judgment, which should consider all influencing factors.

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